

# AGENDA



## Recommendation for Council Action

### AUSTIN CITY COUNCIL

Regular Meeting: August 23, 2018

Item Number: **051**

#### Item(s) to Set Public Hearing(s)

Set a public hearing for an application to be submitted to the Texas Department of Housing and Community Affairs by AMTEX Multi-Housing, LLC, or an affiliated entity, for the construction of a multi-family development to be known as Limestone Ridge Senior Apartments, located at 6907 & 7011 McKinney Falls Parkway, Austin, Texas 78744, in the Extraterritorial Jurisdiction of the City of Austin (Suggested date and time: September 20, 2018 at 4:00 p.m., Austin City Hall, 301 W. Second Street, Austin, TX).

|                             |  |
|-----------------------------|--|
| <b>Lead Department</b>      | Neighborhood Housing and Community Development.  |
| <b>Fiscal Note</b>          | This item has no fiscal impact.  |
| <b>For More Information</b> | Rosie Truelove, Director, Neighborhood Housing and Community Development, 512-974-3064; Mandy DeMayo, Community Development Administrator, Neighborhood Housing and Community Development, 512-974-1091. |

#### Additional Backup Information:

This action will set a public hearing to receive public comment to consider approval of a resolution as required by the Texas Department of Housing and Community Affairs (TDHCA) 2018 Uniform Multi-family Rules. The applicant must submit to TDHCA a resolution of no objection from the applicable governing body in which the proposed development is located. The property is located in the City of Austin's (City's) Extraterritorial Jurisdiction (ETJ).

### **Proposed Project**

AMTEX Multi-Housing, LLC (AMTEX) is planning to develop a 225-unit multi-family development to be located at 6907 and 7011 McKinney Falls Parkway, Austin, Texas 78744, which will be owned and operated by AMTEX Limestone Fund, LP. 100% (225) of the units reserved for households with incomes at or below 60% of the Austin Median Family Income level (MFI). The development is proposed to be partially funded with 4% Low Income Housing Tax Credits and tax exempt bonds issued by the Travis County Housing Finance Corporation (TCHFC). No funding from the Austin Housing Finance Corporation is being requested.

### **Estimated Sources of Funds**

| <u>Sources</u>          |                        | <u>Uses</u>                 |                         |
|-------------------------|------------------------|-----------------------------|-------------------------|
| Tax Credit Equity       | \$ 11,509,587.00       | Acquisition Costs           | \$ 2,025,000.00         |
| Permanent Loan          | \$ 22,322,672.00       | Hard Costs                  | \$ 21,733,800.00        |
| Deferred Developer Fee  | \$ 2,886,849.00        | Soft and Financing Costs    | \$ 7,869,262.00         |
| NOI During Construction | \$ 280,781.00          | Reserves and Developer Fee* | \$ 5,371,827.00         |
| <b>TOTAL</b>            | <b>\$36,999,889.00</b> | <b>TOTAL</b>                | <b>\$ 36,999,889.00</b> |

*\* includes Operating Reserve, Rent Reserves, HUD working Capital Reserve and Developer Fee*

### **Project Characteristics**

| Units | Bedrooms           | Bathrooms | Unit Size (sq ft) | Estimated Rent | MFI |
|-------|--------------------|-----------|-------------------|----------------|-----|
| 110   | 1                  | 1         | 715               | \$967          | 60% |
| 115   | 2                  | 2         | 891               | \$1,161        | 60% |
| 225   | <b>Total Units</b> |           |                   |                |     |

### **Current Property Tax Status and Future Impact**

The property is currently not tax exempt according to the Travis Central Appraisal District (TCAD). TCAD will determine whether the use of this property will continue to be eligible for any exemptions after the property is constructed.

### **AMTEX Multi-Housing, LLC**

Since entering the Texas market, AMTEX has delivered over 300 apartment homes in the Dallas/Fort Worth and Houston areas. It has quickly established itself as a presence in the affordable housing landscape in Texas. AMTEX has six communities under construction representing over 1,200 apartment homes that will be delivered in the next two years in Austin, the Dallas/Fort Worth area, and the City of Denison. AMTEX has partnered with Fort Worth Housing Solutions (FWHS) on four apartment communities: one recently completed (Avondale Apartments) and three under construction (Harmon Senior Villas, Alton Park, and Campus Apartments), each of which include rental assistance demonstration (RAD) units and Section 8 Project Based Vouchers (PBVs). AMTEX worked closely with the FWHS team throughout the tax credit application, design, and finance steps of each project. AMTEX is currently partnering with the TCHFC to build the McKinney Falls Apartments in the City's ETJ.

For more information on the proposed project, as well as socioeconomic characteristics and amenities in the surrounding area, please see the project's Development Application here:

<http://austintexas.gov/page/fy-17-18-funding-applications>.